



NL INDUSTRIES, INC.
THREE LINCOLN CENTRE
5430 LBJ FREEWAY
SUITE 1700
DALLAS, TEXAS 75240-2697

231418

REAL ESTATE DEPARTMENT
TELEPHONE: 972 450 4288

TELEPHONE FACSIMILE 972 450-4281

December 5, 2011

Ms. Cynthia A. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423-0001

RE: FD 35559, Saratoga and North Creek Railway LLC
Operation Exemption-File #231173

Dear Ms. Brown:

I am writing on behalf of NL Industries, Inc. ("NL"), to submit an additional letter of support to accompany the filing that Saratoga and North Creek Railway LLC ("Saratoga") filed with the Board on Friday December 2, 2011.

As the Board will recall, NL formerly owned and sold to Saratoga a 29.71 mile long private line of railroad ("the Tahawus Line") that is the subject of this proceeding. The Board will also recall that NL had provided Saratoga with a letter of support that Saratoga included with both its Reply filed on November 22, 2011, to the Protest submitted by Protect the Adirondacks ("Protect") and with the Appeal to the Acting Director decision filed December 2.

NL submits this additional letter of support in order to clarify its view of the viability of utilizing the common carrier rail freight service that Saratoga seeks to provide over the Tahawus Line. Protect wants the Board to believe that NL has abandoned its mine property in the Town of Newcomb and no longer maintains a viable mineral resource as it is alleged to be in the process of dismantling its facilities adjacent to the line and that, to the extent it needs any form of transportation services at all, it relies exclusively upon trucks. Nothing is further from the truth. While NL has dismantled certain older facilities at that location, it

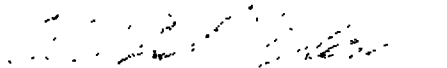
owns and processes a significant reserve of rock and magnetite at this site under contract with a private company. In fact, NL ships over thirty thousand (30,000) tons of screened rock and another three thousand (3,000) tons of magnetite annually. Although trucks are currently used to move this material to customers, NL is actively and seriously pursuing a plan and negotiations with Saratoga that could divert this traffic to rail transportation. Both NL and its current private contractor see tremendous economic opportunity and potential with the use of rail.

Protect also wants the Board to believe the mine property is "highly contaminated." Again, this allegation is wrong. As my November 21, 2011, support letter stated, NL has spent over \$4 million in site remediation and, by continuing its site monitoring responsibilities, has completed its remedial obligations to the State of New York. Neither these on-going responsibilities nor the condition of the property limits the use of the property in any way.

I hope this letter provides the Board with information needed to resolve this matter expeditiously.

Sincerely yours,

NL INDUSTRIES, INC.



L. Andrew Fleck
Real Estate Manager